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Of Attorneys for Defendants Pierce Wealth Partners Funds #1, LLC, Eric D. Cole, Kathryn L. Cole and Reece E. Madison

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF OREGON

In re: Case No. 11-30477-tmb7

CGF LLC, dba Cascade Garden Farms and fdba GEM Tumalo, LLC,

Debtor.

Amy Mitchell, Trustee,

Plaintiff,

V.

Patrick M. Gisler, an individual, Pierce Wealth Partners Fund #1, LLC, a Colorado limited liability company, and Eric D. Cole, Kathryn L. Cole, and Reece E. Madison, individuals,

Defendants.

Adv. No. 11-03056-tmb

ANSWER OF DEFENDANTS PIERCE WEALTH PARTNERS FUND #1, LLC, ERIC D. COLE, KATHRYN L. COLE AND REECE E. MADISON

Defendants Pierce Wealth Partners Fund #1, LLC ("PWPF"), Eric D. Cole and Kathryn

L. Cole (the "Coles") and Reece E. Madison ("Madison") (collectively the "Answering

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Defendants") answer Plaintiff's Complaint as follows:

- 1. The Answering Defendants admit the jurisdictional allegations in paragraphs 2 through 4.
 - 2. The Answering Defendants admit the allegation in paragraph 5.
- 3. The Answering Defendants admit the allegation in paragraph 8, that defendant PWPF is a Colorado limited liability company that was formed on May 24, 2010, that its principal street address is 10001 E. Evans Avenue, #50A, Denver, CO 80247 and that its registered agent is Jennifer Combs.
- 4. The Answering Defendants admit the allegations in paragraph 9, that defendant Eric D. Cole is defendant Patrick M. Gisler's ("Gisler") son-in-law, that Kathryn L. Cole is Gisler's daughter and that Madison is Gisler's wife.
- 5. The Answering Defendants admit the allegation in paragraph 10, that the Coles currently own real property located at 21125 Scottsdale Drive, Bend, OR 97701.
- 6. The Answering Defendants admit the allegations in paragraph 11, that Madison holds a principal broker's license which was issued on October 16, 2006 and that the address listed on her license is 64095 Tamoli Lane, PO Box 7, Bend, OR 97701.
 - 7. The Answering Defendants admit the allegations in paragraph 12.
- 8. The Answering Defendants admit the allegation in paragraph 15, that substantial litigation between the Debtor and Gisler occurred over several years which resulted in a judgment ("Judgment") in favor of Gisler and against the Debtor in *Gem Tumalo LLC v. Patrick M. Gisler*, Case No. 08-CV-0899MA ("State Court Action").
- 9. The Answering Defendants admit the allegations in paragraphs 18 and 19, that PWFP purchased from the Gisler bankruptcy estate all of Gisler's and/or the estate's right, title and interest in the Judgment in the State Court Action and the security agreement.
- 10. The Answering Defendants admit the allegation in paragraph 21, that the Debtor was a nursery and landscaping business and that some of its assets are located at the property

described in paragraph 12 of Plaintiff's Complaint (the "Real Property").

11. The Answering Defendants admit the allegation in paragraph 22, that as a result of a foreclosure sale, for a period of time, West Coast Bank was the owner of the Real Property

alleged in Plaintiff's Complaint.

12. The Answering Defendants admit the allegation in paragraph 23, that Gregg

Miller and Maryanne Miller did reside on the Real Property.

13. The Answering Defendants admit the allegation in paragraph 28, that prior to the

date of the Complaint, none of these Answering Defendants contacted the Trustee or the

Trustee's counsel.

14. The Answering Defendants admit the allegation in paragraph 29, that on or about

February 2, 2011, Deschutes County Circuit Court Judge Michael Adler issued a Writ of

Execution of Judgment of Restitution against Gregg Miller and Maryanne Miller in the State

Court Action.

15. The Answering Defendants admit the allegation in paragraph 31, that on or about

February 4, 2011, the Deschutes County Sheriff enforced the Writ of Execution against Gregg

and Maryanne Miller.

16. The Answering Defendants admit the allegations in paragraph 33 and 34, that

Greg Miller filed pleadings in the State Court Action contesting the Writ of Execution.

17. The Answering Defendants admit the allegation in paragraph 35, that on or about

February 7, 2011, the Deschutes County Circuit Court Judge signed an Order purporting to

Abate the Writ of Execution.

18. The Answering Defendants admit the allegations in paragraphs 40, 42 and 43, to

the extent that the Coles and Madison negotiated for and ultimately purchased the Real Property

from West Coast Bank and are now the owners of the Real Property.

19. Except as expressly admitted above, the Answering Defendants deny each and

every other allegation in Plaintiff's Complaint for the following reasons:

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- a. Paragraphs 1; 53-56; 60-65; 67; 69 and 70 are all legal conclusions.
- b. The Answering Defendants have insufficient knowledge regarding the remaining paragraphs 6-9; 13-19; 21-32; 34-35; 37-39; 41 and 44.
- c. The Answering Defendants deny the allegations in paragraphs 20; 36; 46-52; 58-59; 66 and 71.
- 20. As noted, except as expressly admitted above, these Answering Defendants deny each and every other allegation in Plaintiffs' Complaint.

WHEREFORE, the Answering Defendants request judgment against Plaintiff dismissing Plaintiff's Complaint and each and every claim therein as against these Answering Defendants, together with such further relief as the Court deems equitable and just.

Dated this 29th day of April, 2011.

Respectfully submitted,
Schwabe, Williamson & Wyatt, P.C.

By: /s/ Brian L. Gingerich
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